

September 27, 2004

## QUOTE OF THE WEEK

*“Even a casual review of the list of officers, boards, bureaus and commissions, made in the light of their duties as here stated, will serve to convince the observant reader that numerous duplications and overlapping of function exist and that administrative centralization is sadly lacking. The presence of great numbers of independent boards, bureaus, commissions, and officers indicates an undue overhead expense; but where it is shown that two or more bodies perform all or parts of functions that could be performed by one, the absence of efficient organization and the certainty of needlessly high expense become still more readily apparent. A general reorganization of the state government, involving the establishment of a few centralized departments should be undertaken by the 1919 legislature.” -- Taxpayer's Association of California, “Expenses and Outlays of California State Government,” June 1918.*

## UNDER THE DOME

### \*\*\*CPR Heard\*\*\*

Earlier today I appeared before the California Performance Review Commission to express my support for the CPR's recommendations on government reorganization. Specifically, I commended the idea of consolidating California's disparate taxing entities into one body that would be governed by a board of elected officials. I have written here before about how we can save money, gain efficiency and better serve taxpayers by collecting the income, sales/use, special, employment, and car taxes all in one place.

What I added for the Commission's enlightenment was a reminder about how we came to have separate taxing bodies in the first place. Tax historian Dave Doerr (who taught me all about taxes when he served as the consultant to the Assembly Revenue and Taxation Committee, to which I was appointed as a freshman Assemblyman in 1979) offers insight into this mess by recalling how the Franchise Tax Board was created. At the time, the State Controller was feuding with the other four members of the BoE. The Controller supported creating a new tax agency, the FTB, on which he would be one of three votes instead of only one of the BoE's five. And thus a new department was born -- not out of necessity, not out of logical and coherent review of the substance of the matter, but simply as a means to outwit political rivals. The result has been headaches and red tape for California taxpayers that we ought to take this opportunity to stop.

September 30, 2004 will be the last day to submit comments to the California Performance Review Commission for inclusion in this phase of the review process. Go to <http://cpr.ca.gov/feedback/> to see how.

### **\*\*\*Still More Boards\*\*\***

Along those lines, how did we end up with so many state boards, commissions and committees that CPR found 117 to eliminate? The short answer is that the legislature cannot control itself. Even now, as we review the CPR cut list, they are still attempting to add more. Assemblyman Ray Haynes wrote that in the middle of the last week of session, "I started to try to count the new programs and groups we were passing. This is nowhere near exhaustive, only includes those passed in the last few days, and no doubt missed many that were hidden too deeply within bills to be easily found in the little time we had to review the legislation. With that caveat, here is the unofficial tally from the last couple of sessions: Nine task forces, eight councils, six commissions, two bureaus, a monitor, a new committee for an existing council, and a strike force."

Today's list of CPR-recommended cuts include entities in education and health care:

Brown vs. Board of Education of Topeka Advisory Committee; California Career Resources Network; Community College Board of Governors; Education Audit Appeals Panel; California Postsecondary Education Commission and the Quality Education Commission; Student Aid Commission and Loan Advisory Council; Bureau of Naturopathic Medicine Advisory Committee; California Commission on Aging; Child Development Policy and Advisory Committee; Health Policy and Data Advisory Commission; Heart Disease and Stroke Prevention Prevention and Treatment Task Force; Department of Managed Care Advisory Committee and Clinical Advisory Panel; Managed Risk Medical Insurance Board; Medical Assistance Commission; and the Rural Health Policy Council.

## **TAXING TIMES**

### **\*\*\*Discipline Action Against BoE Employee\*\*\***

Early last year, I was advised that an employee in one of the BoE's district offices had been demoted due to her inappropriately accessing the confidential tax records of neighbors and relatives. The employee appealed the demotion to the State Personnel Board. I am happy to report that the SPB has upheld the action. I was appalled when I heard about this case and wish the penalty could have been more severe. I want to assure readers that protecting and improving taxpayer confidentiality is something I and the Board leadership take very seriously.

## **ISSUE FOCUS**

### **\*\*\* Election Day Correction \*\*\***

In last week's Dates section, I listed important dates for the general election. However, an alert Leonard Letter reader noticed that the dates listed were incorrect. The last day to register to vote is October 18 at 5pm. The last day to request an absentee ballot is October 26 at 5pm. For additional information about voting or links to your county's registrar of voters, visit <http://www.ss.ca.gov/elections/elections.htm>

### **\*\*\*Citizenship Test 13\*\*\***

Today's citizenship questions are a mix of history and modern civics.

- 55. Why did the Pilgrims come to America?
- 56. What is the head executive of a state government called?
- 57. What is the head executive of a city government called?
- 58. What holiday was celebrated for the first time by American colonists?

## **BOE AND LEGISLATIVE DATES**

**September 30, 2004** --- Last Day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in his possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

**October 2, 2004** --- Bills enacted on or before this date take effect January 1, 2005 (Art. IV, Sec. 8(c)).

**October 4, 2004** --- First day to mail out absentee ballots.

**October 18, 2004** --- Last day to register to vote in November's General Election.

**October 26, 2004** --- Last day to request an absentee ballot.

**November 2, 2004** — General Election.

## **NOTABLE DATES/ HISTORY**

**September 27, 1722** --- Samuel Adams, American revolutionary and Lt. Gov. of Mass, (1789-94) was born.

**September 27, 1779** --- John Adams negotiated Revolutionary War peace terms with Britain.

**September 27, 1825** --- Railroad transportation was born with the first track in England.

**September 28, 1542** --- Juan Rodriguez Cabrillo discovered California, at San Diego Bay.

**September 28, 1787** --- Congress sent Constitution to state legislatures for their approval.

**September 29, 1907** --- Construction began on Washington National Cathedral.

**September 29, 1923** --- Steinhart Aquarium in Golden Gate Park opened to the public.

**September 29, 1990** --- Washington National Cathedral construction was completed after 83 years.

**September 30, 1777** --- Congress fled to York, PA, as British forces advanced.

**September 30, 1934** --- FDR dedicated Boulder Dam (Hoover Dam).

**October 1, 1890** --- Yosemite National Park was established.

**October 1, 1898** --- Henry Huntington bought the L.A. Railway.

**October 1, 1948** --- California Supreme Court voided the state statute banning interracial marriages.

**October 1, 1964** --- Free Speech Movement was launched at UC Berkeley.

**October 2, 1800** --- Nat Turner Virginia, leader of major slave rebellion, was born.

**October 2, 1937** --- Future U.S. President Ronald Reagan made his acting debut in the Warner Bros. movie *Love is in the Air*.

**October 2, 1967** --- Thurgood Marshall became the first African-American sworn in as a member of the U.S. Supreme Court.

**October 3, 1863** --- Lincoln designated the last Thursday in November as Thanksgiving Day.

**October 3, 1974** --- The Watergate trial began.

## **GENERAL TAX INFORMATION**

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115

TDD service for the hearing impaired  
TDD phones: 800-735-2929  
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

## HOW TO CONTACT ME

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